

September 20, 2017

The Honorable Brandt Iden, Chair House Regulatory Reform Committee Michigan House of Representatives P.O. Box 30014 Lansing, MI 48909-7541

Re: Senate Bill 378

Dear Representative Iden:

Michigan Assisted Living Association (MALA) appreciates the opportunity to testify on Senate Bill 378. MALA is a nonprofit organization representing a broad range of providers of residential settings including licensed homes for the aged and licensed adult foster care facilities as well as facilities which do not require licensure.

MALA has been in extensive discussions with the Department of Legislative and Regulatory Affairs regarding its relatively new interpretation of when a community should be licensed as a health facility pursuant to the Public Health Code. We support the need to clarify the criteria for which a home for the aged (HFA) license is required. It should be noted that the proposed requirements for an exemption from HFA licensure are rather complicated and are challenging to enforce given Michigan's extensive array of housing and services models available to its older adults statewide. Nevertheless, it is essential that legislative guidance be provided regarding the requirements for HFA licensure and exemptions.

Senate Bill 378 also amends the Public Health Code regarding the cost of the mandated FBI criminal history check for newly hired employees. MALA supports the need for such background checks. Pursuant to this bill, the state of Michigan's obligation to cover the cost of these checks would be limited after October 1, 2018 to 40 checks for an HFA with fewer than 100 beds and 50 checks for an HFA with 100 beds or more. MALA is concerned about this proposed statutory change which would result in a substantial cost shift from the state of Michigan to HFA providers. For many licensees, this represents a financial challenge for which there is no source of reimbursement.

Thank you again for the opportunity to testify. Please feel free to contact our organization if any additional information is needed.

Sincerely,

ROBERT L. STEIN

General Counsel

cc: Rep. Joseph Bellino, Jr., Majority Vice-Chair

Rep. Kathy Crawford

Rep. Eric Leutheuser

Rep. Lana Theis

Rep. Michael Webber

Rep. Beth Griffin

Rep. Roger Hauck

Rep. Michele Hoitenga

Rep. John Reilly

Rep. Jeremy Moss, Minority Vice-Chair

Rep. Scott Dianda

Rep. John Chirkun

Rep. Frank Liberati

Rep. Leslie Love

Rep. Jewell Jones